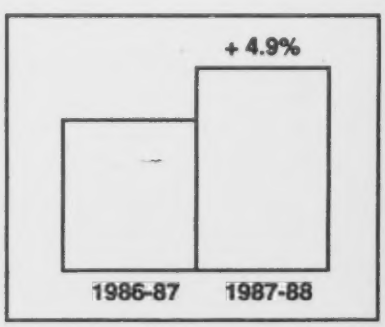
Collections by Source

Source	Fiscal Years Ended June 30 1987	1988	Percent of Total Collections	Percentage Change in Collections
Taxes:				
Property:				
Motor Vehicle Specific Ownership "A"	$7,548,913.76	$5,926,029.44	0.19	-21.5
Sales, Use, Excise & Gross Receipts:				
Alcoholic Beverage	$23,172,780.40	$21,979,199.60		
Cigarette Tax	65,004,472.08	61,490,903.06		
Tobacco Products Tax	1,956,525.44	3,104,098.38		
Sales Tax	652,488,834.52	666,620,543.62		
Use Tax	69,369,148.83	59,898,357.74		
Tourism Promotion	3,912,166.38	6,776,057.69		
Fuel Taxes	295,473,716.80	306,194,635.66		
Subtotal	$1,111,377,644.45	$1,126,063,795.75	36.82	+ 1.3
Income Tax:				
Estimated	$235,586,710.68	$281,075,830.77		
Cash	174,836,503.62	184,777,069.09		
Withholding	1,039,274,732.12	1,102,611,832.29		
Subtotal	$1,449,697,946.42	$1,568,464,732.15	51.30	+ 8.2
Estate, Inheritance, and Gift Taxes:				
Estate Tax	$18,577,945.85	$13,928,781.40		
Inheritance Tax	109,090.41	104,208.45		
Inheritance Filing Fee	7,501.85	19,647.40		
Gift Tax	19,964.80	14,983.28		
Subtotal	$18,714,502.91	$14,076,620.53	0.46	-24.8
Severance Taxes:				
Estimated Tax and Withholding	$24,453,798.81	$26,165,782.62	0.86	+ 7.0
Gross Ton Mile Tax:	$32,729,136.56	$32,380,182.91	1.06	- 1.1
Licenses, Permits and Fees:				
Motor Vehicle:				
Titles	2,998,423.64	$3,381,776.43		
Motor Vehicle Licenses	30,675,279.56	32,129,114.24		
Emissions	4,427,134.07	5,001,348.75		
Subtotal	$38,100,837.27	$40,512,239.42	1.32	+ 6.3
Motor Vehicle Operators:				
Operators and Chauffeurs Licenses	$4,022,071.28	$5,412,655.52	0.18	+34.6

Collections by Source

Source	Fiscal Years Ended June 30 1987	1988	Percent of Total Collections	Percentage Change in Collections
Regulatory and Business:				
Bedding Inspection Fees	$30,373.51	29,517.61		
Boiler Inspection Fees	453,491.00	455,510.00		
Cigarette Licenses	720.00	590.00		
Commercial Driving Instructor Licenses	1,135.00	1,515.00		
Commercial Driving School Licenses	850.00	850.00		
Fluid Milk Sanitation Licenses	400.00	60.00		
Hospital and Nursing Home Licenses	16,375.00	16,640.00		
Liquor Licenses	508,389.05	505,511.45		
Liquor Licenses - 85% City	1,532,642.90	1,561,699.02		
Liquor Licenses - 85% County	401,143.50	404,888.60		
MV Dealers and Salesman Licenses	870,625.00	1,056,830.00		
MV Manufacturers Licenses	100,050.00	110,410.00		
Pet Shop and Kennel Licenses	10,070.00	60.00		
Produce Licenses	146,415.00	133,045.00		
Psittacine Bird License Fees	4,040.00	30.00		
Public Utilities Motor Carrier Fees	217,132.22	214,055.50		
PUC Utility Supervision	3,720,180.23	4,462,524.31		
PUC ID Stamps	0.00	114,655.00		
PUC Hazardous Material	0.00	69,625.00		
Restaurant License and Inspection Fees	252,407.00	261,888.41		
Special Fuel Distributors License	590.00	245.00		
Special Fuel Permits	82,002.08	77,145.77		
Store Licenses	295,310.45	1,631,271.17		
Tobacco Products License Fee	1,146.28	1,343.72		
Trade Names	273,285.91	281,219.94		
Subtotal	$8,919,374.13	$11,391,130.50	0.37	+27.7
Other Receipts:				
County Lodging Tax	0.00	38,992.98		
Regional Transportation District Sales Tax	$77,287,567.68	78,340,000.76		
City Sales Tax	67,967,445.81	64,744,706.59		
County Sales Tax	58,525,061.74	69,290,365.72		
Motor Vehicle Financial Responsibility	111,798.05	106,026.00		
Motor Vehicle Penalty Assessments	4,094,845.44	3,783,371.91		
Order of Reinstatement	803,492.96	848,323.28		
Revenue Department Services	3,709,206.55	3,039,669.39		
Sales of Equipment, Books	3,938.50	2,949.00		
Other Miscellaneous Receipts	7,332,514.29	7,111,486.81		
Subtotal	$219,835,871.02	227,305,892.44	7.44	+ 3.4
Grand Total of Gross Collections	**$2,915,400,096.61**	**$3,057,690,061.38**	100.00	+ 4.9



Gross Collections and Cost of Administration by Fund and by Tax Source

Fiscal Year Ended June 30, 1988

Tax Source [1/]	Gross Collections	Cost of Administration	Percent of Collections
General Fund:			
Alcoholic Beverages [2/]	$24,451,298.67	$533,593.61	2.18
Sales, Use and Cigarette [2/ 3/]	791,115,836.52	7,812,573.00	0.99
Income Tax	1,568,464,732.15	13,808,756.28	0.88
Estate Tax [2/]	14,067,620.63	180,237.38	1.28
Regulatory and Business Licenses, Permits and Fees	8,082,807.64	389,718.65	4.82
Other Receipts [4/]	1,569,419.99	237,627.57	15.14
Severance Taxes	26,165,782.62	188,966.56	0.72
Total General Fund	$2,433,917,498.22	$23,151,473.05	0.95
Highway Users Fund:			
Mileage and Fuel Taxes [5/]	$338,846,942.61	$1,792,735.25	0.53
Motor Vehicle Registrations [6/]	40,515,853.50	844,537.65	2.08
Operators Licenses and Control [7/]	9,362,173.90	13,231,339.01	141.33
All Other Motor Vehicle [8/]	4,042,409.37	638 744.94	15.80
Ports of Entry [9/]	.00	5,746,920.60	-
Total Highway Users Tax Fund	$ 392,767,379.38	$22,254,277.45	5.67
Other Collections:			
Special Funds [10/]	$18,630,110.71	$12,322,504.28	66.14
Mineral Audits	.00	310,878.85	-
City, County and Regional Transportation District Sales Taxes [11/]	212,375,073.07	.00	-
Total Other Collections	$ 231,005,183.78	$12,633,383.13	5.47
Grand Total	**$3,057,690,061.38**	**$58,039,133.63**	1.90

1/ Taxes listed include related licenses, fees, etc.
2/ Does not reflect cash flow through Old Age Pension Fund.
3/ Does not reflect sales tax transfer to Highway Users Tax Fund.
4/ Includes miscellaneous collections, and voter registration.
5/ Includes gross ton mile, gasoline and special fuel taxes.
6/ Includes vehicle registrations and licenses, and specific ownership 'A' tax.
7/ Includes drivers' licenses, driving instructors and school licenses, driver improvement, accident records, financial responsibility, driver hearings and motor vehicle enforcement, master files and traffic safety.
8/ Includes penalty assessments, miscellaneous collections and sales tax transfer to HUTF.
9/ Collections at Ports of Entry are included in mileage and fuel tax amounts. Includes motor carrier safety program.
10/ Includes motor vehicle emissions and inspections, motor vehicle dealers administration, lottery, hazardous materials, tourism promotion tax, county lodging tax, debt collection, trade names, commercial driver licenses, and traffic safety.
11/ Administrative costs are included in General Fund - Sales, use and cigarette costs.

Total Collections and Cost of Administration

Fiscal Year Ending June 30	Collections	Administration	Cost as % of Collections
1988	$3,057,690,061	$58,039,134	1.90
1987	2,915,400,097	55,215,389	1.89
1986	2,730,411,015	52,345,260	1.92
1985	2,724,137,001	47,429,124	1.74
1984	2,558,429,143	39,681,563	1.55
1983	2,171,210,764	36,450,113	1.68
1982	2,105,334,789	34,108,900	1.62
1981	1,828,648,990	31,519,225	1.72
1980	1,784,397,422	28,626,742	1.60
1979	1,638,174,767	26,032,899	1.59
1978	1,411,263,900	23,960,846	1.70
1977	1,224,978,639	23,614,713	1.93
1976	1,090,868,629	21,649,615	1.98
1975	958,351,779	20,482,654	2.14

Beginning fiscal year 1978, Administration excudes county clerk fees.
Prior to that year zthese fees were part of the cost of administration.

Number of Audits, Assessments and Refunds

Fiscal Year Ended June 30, 1988

Tax Section	Annual Audits [1]	Assessments	Refunds	Net
Field Audits [2]	$13,750 [3]	$39,960,679	$ 3,265,340	$ 36,695,339
Office Audits	11,379 [3]	10,524,351	9,718	10,514,634
Fair Share	35,205	23,117,320	517,599	22,599,721
Taxpayer Service:				
Income Tax	135,322	678,000	14,820,386 [2]	(14,142,386)
Sales, Use Withholding and Cigarette Tax	57,247	97,559	2,638,319 [2]	(2,540,760)
Mileage & Fuel Tax [1]	2,214	616,645	759,747 [2]	(143,102)
Severance Tax	1,223	148,377	3,023,755 [2]	(2,875,378)
Liquor Tax	9	42,194	0	42,194
Estate Tax	3,750	371,630	(54,556)	426,186
Grand Totals	**$199,765**	**$1,954,405**	**$21,187,651**	**($19,233,246)**

1/ Does not include net refunds for off-highway use totaling $3,671,854 or bond refunds totaling $51,010.

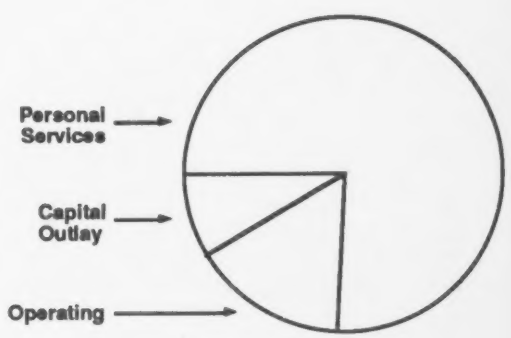
2/ Equals net of refunds issued and refunds denied/reduced.

Administrative Expenditures by Purpose

Fiscal Year Ended June 30, 1988

Personal Services	$43,786,555.17
Operating	9,236,564.53
Total	**$53,023,119.70**
Capital Outlay	5,016,013.93
Total Administrative Expenses	**$58,039,133.63** [1]

1/ Includes federal funds in the amount of $837,000.



Population by County

County	Census 1970 a/	Census 1980 a/	July 1, 1987 b/	County	Census 1970 a/	Census 1980 a/	July 1, 1987 b/
Adams	185,789	245,944	270,282	Douglas	8,407	25,153	43,604
Alamosa	11,422	11,799	12,742	Eagle	7,498	13,320	19,404
Arapahoe	162,142	293,621	387,040	Elbert	3,903	6,850	9,268
Archuleta	2,733	3,664	5,310	El Paso	235,972	309,424	394,307
Baca	5,674	5,419	4,494	Fremont	21,942	28,676	30,023
Bent	6,493	5,945	5,505	Garfield	14,821	22,514	25,680
Boulder	131,889	189,625	216,597	Gilpin	1,272	2,441	2,836
Chaffee	10,162	13,227	12,376	Grand	4,107	7,475	9,548
Cheyenne	2,396	2,153	2,332	Gunnison	7,578	10,689	12,038
Clear Creek	4,819	7,308	7,560	Hinsdale	202	408	425
Conejos	7,846	7,794	8,429	Huerfano	6,590	6,440	7,117
Costilla	3,091	3,071	3,402	Jackson	1,811	1,863	1,653
Crowley	3,086	2,988	3,461	Jefferson	235,368	371,753	422,386
Custer	1,120	1,528	2,145	Kiowa	2,029	1,936	1,822
Delta	15,286	21,225	22,533	Kit Carson	7,530	7,599	7,594
Denver	514,678	492,365	511,848	Lake	8,282	8,830	6,298
Dolores	1,641	1,658	1,534	La Plata	19,199	27,195	30,263

Department of Revenue Locations

Driver License Offices *(Full-time)*

Alamosa
Arvada
Aurora
Basalt
Boulder
Brighton
Burlington
Canon City
Castle Rock
Cheyenne Wells
Colorado Springs
Cortez
Delta
Denver
Durango
Ft. Collins
Ft. Morgan
Glenwood Springs
Grand Junction
Greeley
Gunnison
Holyoke
Hugo
La Junta
Lakewood
Lamar
Littleton
Longmont
Loveland
Monte Vista
Montrose
Pueblo
Security
Springfield
Steamboat Springs
Sterling
Thornton

Collections and Compliance District Offices

Ft. Collins
Glenwood Springs
Colorado Springs
Pueblo
Greeley
Denver
Grand Junction
Durango

Ports of Entry *(Permanent ports and mobile units)*

Craig
Dumont
Denver
Alamosa
Trinidad
Limon
Ft. Morgan
Platteville
Cortez
Durango
Loma
Ft. Garland
Lamar
Monument
Brush
Ft. Collins

Taxpayer Service District Offices

Ft. Collins
Glenwood Springs
Colorado Springs
Pueblo
Alamosa
Greeley
Denver
Grand Junction
Durango

Taxation District Offices

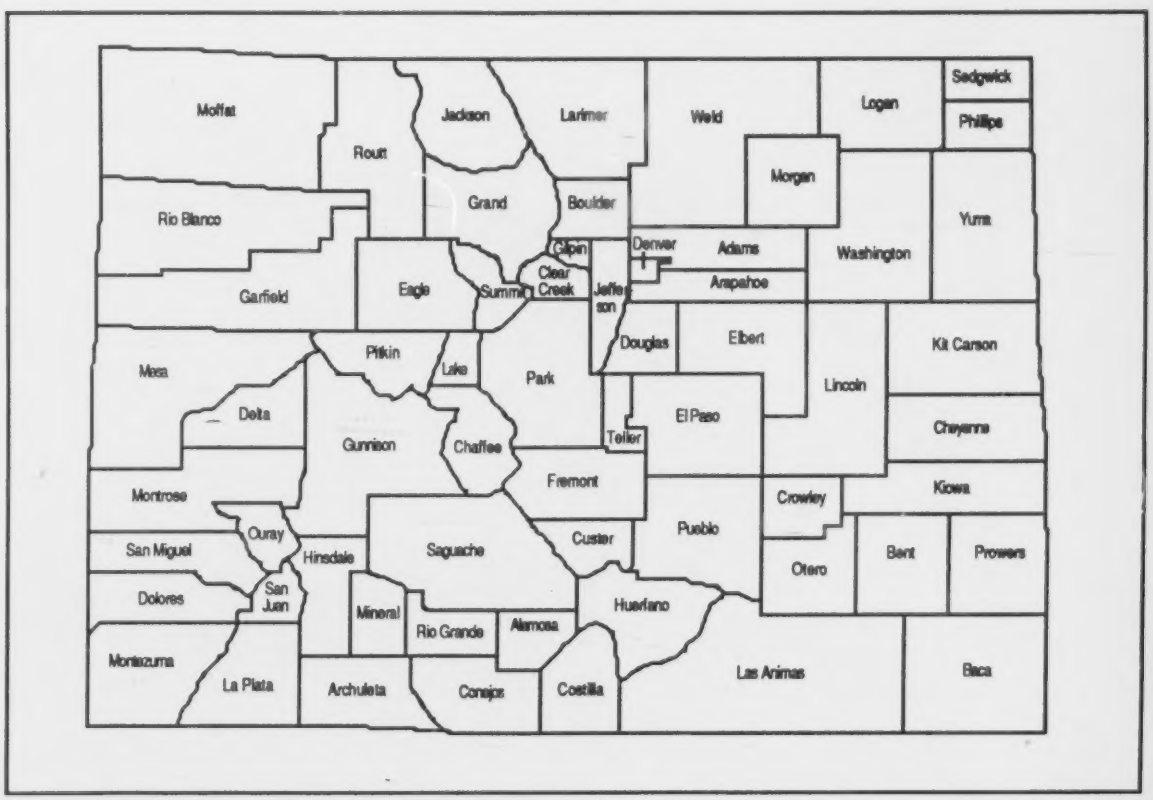
Ft. Collins
Pueblo
Colorado Springs
Grand Junction

Lottery Offices

Ft. Collins
Pueblo
Denver
Grand Junction

County	Census 1970 a/	Census 1980 a/	July 1, 1987 b/
Larimer	89,900	149,184	178,069
Las Animas	15,744	14,897	14,512
Lincoln	4,836	4,663	4,535
Logan	18,852	19,800	18,776
Mesa	54,374	81,530	86,579
Mineral	786	804	700
Moffat	6,525	13,133	11,104
Montezuma	12,952	16,510	16,652
Montrose	18,366	24,352	25,524
Morgan	20,105	22,513	22,282
Otero	23,523	22,567	21,586
Ouray	1,546	1,925	1,991
Park	2,185	5,333	6,200
Phillips	4,131	4,542	4,576
Pitkin	6,185	10,338	13,320
Prowers	13,258	13,070	13,713
Pueblo	118,238	125,972	130,479
Rio Blanco	4,842	6,255	5,699
Rio Grande	10,494	10,511	11,667
Routt	6,592	13,404	14,550
Saguache	3,827	3,935	4,141
San Juan	831	833	849
San Miguel	1,949	3,192	3,978
Sedgwick	3,405	3,266	2,971
Summit	2,665	8,848	13,554
Teller	3,316	8,034	11,479
Washington	5,550	5,304	5,146
Weld	89,297	123,438	140,175
Yuma	8,544	9,682	9,606
TOTALS	**2,209,596**	**2,889,735**	**3,296,269**

a/ Official U.S. Census tabulation.
b/ Preliminary July 1, 1987 estimates by the Division of Local Government, Demographic Section.



Taxes at a glance

Alcoholic Beverages

Title 12, Article 46, 47

Beer	8.00 cents per gallon	Imposed upon manufacturers or first receivers of alcoholic beverages sold, offered for sale or used in this state.	The manufacturer or first receiver must file a monthly return and remit the tax by the 20th day of each month for alcoholic beverages manufactured, received, sold and disposed the previous month.
Wine	7.33 cents per liter		
Wine manufactured by limited winery	0.70 cents per liter		
Spirituous liquors	60.26 cents per liter		
Fermented malt beverages	8.00 cents per gallon	Imposed upon manufacturers or first receivers of fermented malt beverages (beer) containing .5 to 3.2 percent alcohol sold, offered for sale or used in this state.	The manufacturer or first receiver must file a monthly return and remit the tax by the 20th day of each month for fermented malt beverages manufactured, received, sold and disposed the previous month.

Cigarette & Tobacco Products Tax

Title 39, Article 28, 28.5

10 mills per cigarette (20 cents per package of 20 cigarettes)	Imposed upon wholesalers of cigarettes sold or offered for sale in this state.	Tax paid through purchase of tax stamps by wholesalers, who must affix such stamps to the original package of cigarettes. Wholesalers may also use department-approved metering machines to stamp by imprint or impression on packages of cigarettes to prove payment of the tax.
Tobacco Products: 20 percent of the manufacturer's list price of tobacco products except for cigarettes which are taxed separately.	Imposed upon tobacco products sold, used, consumed, handled or distributed in this state, but collected and remitted by the distributor/first receiver.	The distributor must file a quarterly return and pay the tax by the 20th day following the end of the quarter minus 3 1/3 percent of the tax due to cover the distributor's expense in collecting and remitting the tax on a timely filed return.

Estate Tax

Title 39, Article 23.5

An amount equal to the state death tax credit allowable on the federal estate tax return.	Imposed on the estate of a decedent with date of death on or after Jan. 1, 1980.	If no federal estate tax return is required to be filed, no state estate tax return is required. The Colorado inheritance tax is imposed on the right to receive property by descent or testamentary gift from the estate of a decedent with date of death on or before Dec. 31, 1979. The Colorado gift tax is imposed on the gratuitous transfer of property occuring on or before Dec. 31, 1979.

Income Tax

Title 39, Article 22

Statutory state income tax rates for individuals and fiduciaries is 5 percent of Colorado taxable income. Colorado taxable income is federal taxable income with Colorado modifications. Corporation income tax rates are 5.5 percent of first $50,000 and 6.0 percent of excess over $50,000.	Imposed upon the privilege of earning or receiving income in or as a resident of this state. Corporations are never "residents." Individuals and fiduciaries may be either residents or nonresidents. Residents allocate all of their income to Colorado. Nonresidents, including corporations, allocate only that portion of income earned or received in Colorado.	Similar to federal income tax procedures, including withholding, and declaration and payment of estimated tax. Residents are allowed credits for income taxes paid to other states or foreign countries. Annual return requirements are imposed, and returns are due by the 15th day of the fourth month following the close of the taxable year. Special return requirements are imposed for withholding agents and persons making estimated tax payments.

Mileage and Fuel Tax

Title 42, Article 3; Title 42, Article 3

Ton-Mile Tax:	0.8 mill per ton-mile of empty weight, 2.0 mills per gross ton-mile of cargo weight	Gross ton-mile tax is imposed upon the owners or operators of certain commercial vehicles with empty weight of 10,000 pounds or more traveling on public highways in this state. Passenger-mile tax is imposed upon the owners or operators of certain vehicles used to transport passengers for compensation.	The owner or operator must file a monthly return and pay the tax by the 25th day of the following month unless authorized by the executive director to file and pay taxes on a quarterly or annual basis.
Passenger-Mile Tax:	1.0 mill per passenger per mile.		
Gasoline and gasohol:	18.0 cents per gallon	Gasoline and gasohol tax is imposed on the distributor/first receiver on gross receipts measured in gallons of gasoline and gasohol. Special fuel tax is imposed on the distributor on special fuel sold in this state or used on the public highways of this state.	The distributor of gasoline, gasohol or special fuel must file a monthly report and pay tax by the 25th day of the following month. Gasoline distributors are allowed a 2% deduction of gasoline received to cover cost of collection as well as of losses in transit and delivery. An additional 1/2 of 1% of the tax is allowed to cover cost of collection and bad debt losses.
Special Fuel:	20.5 cents per gallon		Special fuel distributors are allowed a deduction of 1% of the tax to cover the cost of collection.

Motor Vehicle

Title 42

NOTE: Registration fees include an additional fee of $1.00 for County Clerks fee, $1.50 for county and municipality road building, plus 50 cents for the emission fee on tax classes A, B, and C. Add $2.20 for each vehicle required to have emission test.

Passenger Vehicles

2,000 lbs. or less	$9.00
2,001 to 4,500 lbs	$9.00 plus 20 cents per 100 lbs. over 2,000 lbs.
4,501 lbs. and over	$16.10 plus 60 cents per 100 lbs. over 4,500 lbs.

Passenger Buses for Hire

$28.00 for 10-or-less capacity plus $1.25 for each additional seat over ten seats plus passenger mile tax

Motor cycles $6.00

Farm Trucks and Truck-Tractors

2,000 lbs. or less	$9.20
2,001 to 4,500 lbs	$9.20 plus 20 cents per 100 lbs. or fraction thereof
4,501 to 5,000 lbs	$16.10 plus 60 cents per 100 lbs. or fraction thereof
5,001 to 10,000 lbs	$18.95 plus 45 cents per 100 lbs. or fraction thereof
10,001 to 16,000 lbs	$42.20 plus $1.20 per 100 lbs. or fraction thereof
More than 16,000 lbs	$114.50 plus $1.50 per 100 lbs. or fraction thereof

Metro Trucks

10,001 to 10,100 lbs	$148.31
More than 10,100 lbs	$148.31 plus $2.31 per 100 lbs. or fraction thereof

State Trucks and Truck-Tractors

2,000 lbs. or less	$10.60
2,001 to 3,500 lbs	$10.80 plus 20 cents per 100 lbs. or fraction thereof
3,501 to 4,500 lbs	$19.10 plus 60 cents per 100 lbs. or fraction thereof
4,501 to 10,000 lbs	$38.00 plus $2.00 per 100 lbs. or fraction thereof
More than 10,000 lbs	$25.50 plus gross ton mile rate

Ownership Tax

The motor vehicle ownership tax is a property tax which is apportioned between the county and the political subdivisions within each county in the same ratio as other property taxes.

The ownership tax is calculated according to statutory rate schedules applied to the taxable value of the vehicle by class of vehicle.

Tax Classes

A. Includes motor vehicles, trucks, truck tractors, trailers and semi-trailers used in the business of transporting persons or property for compensation as a carrier.
B. Includes every truck, truck tractor, trailer and semi-trailer used for transporting property and is not included in class A.
C. Includes every motor vehicle not included in class A or B.
D. Includes every utility trailer, camper trailer and trailer coach.
F. Includes mobile machinery and self-propelled construction equipment.

Taxable Value for Class:	% of Manufacturer's Suggested Retail Price:
A, B	75%
C, D	85%

	Percent of taxable value by class of vehicle				
Year of Service	**A**	**B**	**C**	**D**	**F**
First	2.10%	2.10%	2.10%	2.10%	2.10%
Second	1.50%	1.50%	1.50%	1.50%	1.50%
Third	1.20%	1.20%	1.20%	1.20%	1.25%
Fourth	.90%	.90%	.90%	.90%	1.00%
Fifth	.45%[a/]	.45%[a/]	.45%	.45%	.75%
Sixth,Seventh, Eighth and Ninth	.45%[a/]	.45%[a/]	.45%	.45%	.50%[b/]
Tenth and Later	$10.00	$ 3.00	$ 3.00	.45%[c/]	.50%[b/]

[a/] or $10 whichever is greater
[b/] but not less than $5
[c/] or $3 whichever is greater.

School Buses	$18.00 for 25-passenger capacity plus 50 for each additional seat over twenty-five
Trailers	
Less than 2,000 lbs	$5.50
2,000 lbs. and over	$10.00
Semitrailers	$10.50
RecreationalTrucks [1/]	
2,000 lbs. or less	$10.60
2,001 to 3,500 lbs	$10.80 plus 20 per 100 lbs. or fraction thereof
3,501 to 4,500 lbs	$19.10 plus 60 per 100 lbs. or fraction thereof
4,501 to 6,500 lbs	$28.10 plus 60 per 100 lbs. or fraction thereof
Trailer Coaches	$10.00
Motor Homes	
2,000 lbs. or less	$9.00
2,001 to 4,500 lbs	$9.20 plus 20 per 100 lbs. or fraction thereof
4,501 to 6,500 lbs	$16.10 plus 60 per 100 lbs. or fraction thereof
More than 6,500 lbs	$27.80 plus 30 per 100 lbs. or fraction thereof
Ton-Mile Tax	Eight-tenths of one mill upon each gross ton-mile of empty weight Two mills upon each gross ton-mile of cargo weight
Passenger Mile Tax	One mill per passenger per mile

[1/] Trucks not exceeding 6,500 lbs. empty weight to be used exclusively for pleasure, enjoyment, and other recreational purposes, or family transportation of owner, lessee, or occupant and is not used to transport cargo or passengers for hire or profit, or otherwise in any business or commercial enterprise.

Other	
AM, FM Radio and Television Call Letter Plates	additional fee $5.00
Amateur Radio Call Letter Plates	additional fee $2.00
Motorcycle Dealers Plates	$26.00 for 1st license plate issued; $8.50 for each additional plate up to and including five plates; $11.00 for each in excess of five
In Transit Dealer Plates	First plate is $31.00; $8.50 each for next four; $11.00 each in excess of five
Personalized License Plates	$35.00 for 1st year issued in addition to normal registration fee; $25.00 fee for subsequent years after issuance in additional to normal registration fee; $13.00 fee for transfer of plates to another vehicle

Driver License Fees	
Original or Renewal License	$ 6.50
Duplicate/Reissue, First	$ 5.00
Duplicate/Reissue, Subsequent	$ 10.00
Original or Renewal Identification Card	$ 3.50
Identification Card, over 60 years of age	Free

Driver Control/Traffic Records Fees	
Reinstatement	$ 40.00
Driver History	$ 2.00
Duplicate Registration/Registration Information	$ 2.00
Investigator's Accident Report	$ 2.00
One-year extention of driver license expiration	$ 3.00
Extention of driver license expiration for military	Free

Title Fees	
Original Title (through County Clerk)	$ 5.50
Duplicate Title	$ 3.50
Search Fee	$ 2.00

Dealer/Salesman Fees	
Manufacturer or Distributor	$230.00
Dealer or Wholesaler	$190.00
(plus $20,000 bond)	
Additional Location	$150.00
Change of Class	$ 95.00
Salesperson	$ 20.00
(plus $2,000 bond)	
Transfer or reissue	$ 20.00

Emission Fees	
New Station License	$ 25.00
Renew Station License	$ 10.00
New Mechanic License	$ 10.00
Renew Mechanic License	$ 5.00

Sales, Use and Tourism Promotion Taxes

Title 39, Article 26, 26.1

The sales tax rate is 3.0 percent.

The use tax rate is the same as the sales tax rate.

Sales tax is levied on the purchase price paid or charged upon all sales and purchases of tangible personal property at retail. The tax is imposed upon the purchaser; however, the duty to collect and remit the tax is imposed upon the vendor. If no sales tax is paid, the buyer must remit use tax directly to the Department of Revenue. Sales and use tax also apply to certain services such as room and accommodation rentals, gas and electric service, and telephone and telegraph service.

Returns are due monthly if sales tax liability is $300 or more per month by the 20th day of the following month. Vendors with less than $300 per month sales tax liability file quarterly returns due by the 20th day of the month following the quarter. Wholesale vendors of tangible personal property file annual returns. Vendors are allowed a discount of 3 1/3% of the tax due to cover expense in colecting and remitting the tax on a timely filed return.

The tourism promotion tax rate is 0.2 percent.

Imposed on buyers of certain tangible personal property and services, but collected and remitted by the vendor. Taxable items include lodging services, certain food and drink sales, ski lift and admission tickets, private tourist attraction admissions, rental automobiles, and tour bus and sightseeing carrier tickets.

The vendor must file a quarterly return and pay the tax the 25th day of the month following the end of the reporting period.

Severance Tax

Title 39, Article 29

Oil and Gas Production:

Gross Income Over	But not over	Tax Rate
-0-	$ 25,000	2% of gross income
$ 25,000	$100,000	$500 + 3% of excess over $25,000
$100,000	$300,000	$2,750 + 4% of excess over $100,000
$ Over	$300,000	$10,750 + 5% of excess over $300,000

87.5 percent of ad valorem taxes on oil and gas royalty on leasehold interests are allowed as a credit against tax due.

Metallic Minerals: 2.25 percent of gross income in excess of $11,000,000 minus a credit for ad valorem taxes on producing mines of up to 50 percent of severance tax liability.

Molybdenum: 5 cents per ton of molybdenum ore. The tax rate is scheduled to become 10 ¢ per ton beginning July 1, 1994.

Oil Shale: The tax applies 180 days after an oil shale facility commences commercial production according to the following schedule and with an exemption for the greater of 15,000 tons per day of oil shale or 10,000 barrels per day of shale oil.

Year	Tax Rate On Gross Production
1st	1 percent
2nd	2 percent
3rd	3 percent
4th and subsequent	4 percent

Coal: 60 cents per ton of coal through June 30, 1988, then 36 ¢ per ton until July 1, 1994 when the rate shall be 60 ¢ per ton. The first 25,000 tons produced per quarter are exempt. A credit of 50 percent of the tax is allowed for coal produced from underground mines. An additional credit of 50 percent of the tax is allowed for the production of lignitic coal as classified by the American Society for Testing Materials in their D3888 standard.

The tax is imposed on all producers and individuals who own an interest (royalty or working or any other type) in any production that is subject to the severance tax.

Producers and interest owners must file an annual return and pay the tax by the 15th day of the fourth month after the close of the taxable year. Withholding and special return requirements apply to operators and first purchasers who disburse funds from oil and gas production.

Legislative digest

Summary of Senate (S.B.) and House Bills (H.B.) which pertain to taxes collected and/or administered by the Department of Revenue, and the Department's operation as a state agency. All bills were enacted by the Fifty-Sixth General Assembly, 1988 Second Regular Session. Statutory references are from the Colorado Revised Statutes.

Administration

H.B. 1069 **State agency rule-making procedures.** Requires rule-making agencies to mail a notice of proposed rule-making to all persons who request such notice and further requires the agencies to maintain a list of such persons. Allows agencies to adopt temporary or emergency rules if the agency finds that such rules are necessary to comply with a state or federal law or federal regulation.

Eliminates the requirement that agencies include fiscal impact statements when rules are submitted to the legislative drafting office. Requires agencies to review all proposed rules and establishes criteria for the adoption of rules.

Requires that agencies issue a regulatory analysis of a proposed rule upon a request by any person and establishes criteria for such regulatory analysis. Requires agencies to maintain official rule-making records until all review procedures have been completed. Establishes criteria for such rule-making records.

Effective May 17, 1988. Adds 24-4-103(4.5), (8.1), (8.2); amends 24-4-103(3), (6), (8)(d); repeals and reenacts 24-4-103(4).

H.B. 1133 **State Department Financial Responsibility and Accountability Act creation.** Requires that all departments of state government establish and maintain systems of internal accounting and administrative control. Establishes minimum requirements for these systems and requires that the departments report annually to the controller, the state auditor, and general assembly on whether internal systems of accounting and administrative control fully comply with said requirements. If systems employed by the department are not in compliance, requires the report to detail weaknesses known to exist and plans for correcting such weaknesses.

Effective April 9, 1988. Adds 24-17 (entire article).

H.B. 1209 **Standards of Conduct - code of ethics for persons involved with government - proscribed acts related to contracts and claims.** Declares that the prescription of some standards of conduct common to those citizens involved with government is beneficial to all residents of the state. Recognizes that some actions are conflicts per se between public duty and private interest while other actions may or may not pose such conflicts depending upon the surrounding circumstances.

Specifies that holding public office is a public trust and that a public officer, member of the general assembly, local government official, or employee shall carry out his duties for the benefit of the people of the state. States that any such person whose conduct departs from his fiduciary duty is liable to the people of the state as a trustee of property and shall suffer such other liabilities as a private fiduciary would suffer for abuse of his trust.

Specifies acts which would be a breach of conduct when committed by a public officer, member of the general assembly, local government official, or employee. States ethical principals to guide public officers, members of the general assembly, local government officials, or employees. Specifies the manner in which a member of the general assembly, public officer, local government official, or employee may disclose the nature of a private interest. Provides that disclosure of such an interest shall constitute an affirmative defense to any civil or criminal action or any other sanction.

Provides that members of the general assembly, public officers, local government officials, or employees shall not be interested in any contract made by them in their official capacity. Bars a former employee from contracting with or being employed by an employer who contracts with the state for a period of 6 months from the date of termination of such former employee. Provides that contracts made in violation of this provision are voidable at the instance of any party to the contract except the officer interested therein.

Effective June 1, 1988. Adds 24-17 (entire article); amends 31-4-404.

H.B. 1302 **Fiscal management of state government.** Makes substantial changes in the law which requires state agencies to submit a work program for the ensuing fiscal year, including quarterly allotments of their funds. Requires that quarterly allotments of general fund appropriations be set forth separately in the work program and that separate allotments be submitted for each separate agency number in the state's accounting system.

Provides that the aggregate of approved general fund allotments for any department shall not exceed the total general fund appropriations made to said department for the fiscal year in question. Imposes reductions in the appropriations if the allotments are not approved by certain dates. Allows the authority having power to approve original allotments to restore reductions in appropriations in certain situations. Authorizes revision of quarterly allotments, if the authority which originally approved the allotment concurs.

Requires the governor to make quarterly in-year estimates of general fund revenues. If any such estimate indicates that one-half or more of the reserve will be used during the fiscal year, directs the governor to formulate and implement a plan to reduce general fund expenditures so that the reserve will be at least one-half the required level as of the end of the fiscal year. Changes

the date by which the general assembly is required to certify a revenue estimate for the next fiscal year from February 15th to 20th.

Effective March 18, 1988. — Adds 24-75-201.5; amends 24-30-206; 24-30-202(3); 24-37-302(1)(e); 24-75-201.3.

H.B. 1351 **Allocation of funds from severance tax trust fund to general fund.** For the fiscal year 1988-89, credits to the general fund the gross receipts from the severance taxes imposed on minerals and mineral fuels which would otherwise be credited to the severance tax trust fund.

Effective May 11, 1988. Amends 39-29-108(4).

Alcoholic Beverages

H.B. 1204 **Alcoholic beverages - sale by hotels from locked minibars.** Authorizes licensed hotels to sell alcoholic beverages in sealed containers of any size, at any time, to adult registered guests where such beverages are stored in locked minibars in individual hotel rooms, the prices of the beverages are clearly posted, and such beverages will be consumed in such rooms. Defines the term "minibar".

Effective July 1, 1988. Amends 12-47-119(2).

Appropriations

H.B. 1322 **Supplemental appropriation - department of revenue.** Amends the 1987 general appropriation act to increase the total appropriation to the department. Decreases the general fund portion of the appropriation and increases the cash funds portion. Amends 1987 Senate Bill No. 156, concerning the transportation of hazardous materials by motor vehicle, to decrease the hazardous materials safety fund appropriation. Amends the 1986 general appropriation act to increase the total general fund appropriation and the cash funds appropriation.

Effective April 19, 1988.

H.B. 1356 **General appropriation act - long bill.** Makes appropriations for the expenses of the executive, legislative, and judicial departments of state government for the fiscal year beginning July 1, 1988. Sets the grand total of the operating budget at $4,417,135,347, of which $2,200,865,301 is from the general fund, $1,227,655,564 is from cash funds, and $988,614,482 is from federal funds.

Transfers $20,521,754 to the capital construction fund, of which $16,500,000 is from the lottery fund, and $4,021,754 is from the general fund. Appropriates $90,802,772 for capital construction, of which $39,521,754 is from the capital construction fund, $20,773,462 is from cash funds, and $30,507,556 is from federal funds.

Amends the 1987 general appropriation act to increase the appropriation to the department of the treasury for payments to counties under the program of property tax deferrals for the elderly, to increase the appropriation to the department of local affairs for the board of assessment appeals, and to add an appropriation from the capital construction fund to the division for developmental disabilities in the department of institutions for the renovation of the Pueblo satellite facility.

Effective June 23, 1988.

Cigarette and Tobacco Products Taxes

H.B. 1043 **Cigarette tax - payment.** Modifies the date by which the payment of cigarette tax must be made by wholesalers in order to be eligible to receive a discount on the amount to be paid for cigarette tax stamps from the 20th day following the purchase of said tax stamps to the 10th day of the month in which the purchase is made. Changes the date by which payment of cigarette tax must be made by wholesalers in order to be eligible to receive a discount on the amount of cigarette tax due to cover expenses incurred in collecting and remitting said tax from the 20th day following the setting of a metering machine to the 10th day of the month following the month in which a meter is set. Requires wholesalers to file monthly returns concerning the collection and remittance of cigarette tax by the 10th day of the month following the month being reported rather than by the 20th of the month.

Effective July 1, 1988. Amends 39-28-104(1); 39-28-105(2); 39-28-109.

Estate Tax

S.B. 193 **Fiduciaries - rights of a surviving spouse in a life estate in property.** Entitles the surviving spouse to specified rights upon receipt of a life estate in property from the decedent spouse. States that these provisions shall be interpreted consistently with those of section 2056 (b) (7) of the "Internal Revenue Code of 1954", as amended, if the personal representative of the decedent spouse elects to treat such life estate as qualified terminable interest property under said Internal Revenue Code section.

Applies to the estate of any person whose death occurred after December 31, 1981.
Effective May 17, 1988.

Income Taxes

S.B. 31 **Income tax credit - enterprise zones - research and development activities.** Establishes and income tax credit for any taxpayer who makes expenditures in research and development activities in an enterprise zone.

Applies to tax years commencing on or after January 1, 1989, until December 31, 1993.
Effective July 1, 1988. Adds 39-30-105.5.

S.B. 67 **Income tax - voluntary contributions - construction of veteran's memorial on grounds of state capitol.** Establishes a voluntary contribution on state income tax returns for the tax year commencing January 1, 1988, to pay for the construction of a memorial to Colorado veterans to be located on the grounds of the state capitol. Requires that amounts so designated and interest earned thereon be credited to the Colorado veteran's memorial fund and be appropriated for the construction and maintenance of the memorial. Repeals authority for the contribution on January 1, 1989.

Effective April 29, 1988. Adds 39-22 (entire part II).

S.B. 88 **Income tax - voluntary contributions - United States olympic committee.** Reestablishes the voluntary contribution on state income tax returns for support of the United States olympic committee. Requires that amounts so designated be credited to the olympic committee fund. Provides that the general assembly shall appropriate annually from the fund to the department of revenue its costs of administering the income tax refund contributions. Requires that all designated moneys in the fund and interest earned thereon be transferred at the end of each fiscal year to the United States olympic committee after subtracting the costs of administration of the fund and the appropriation to the department of revenue. Repeals authority for the contribution on January 1, 1992.

Effective April 14, 1988. Recreates and reenacts 39-22 (entire part 9).

H.B. 1132 **Colorado tax laws - technical corrections.** Makes technical corrections to state tax provisions to comply with new federal law. Replaces statutory references to the "Internal Revenue Code of 1954" with the new title, "Internal Revenue Code of 1986", in estate tax, sales tax, and severance tax provisions. States that changes in such references shall not affect any rights or liabilities accrued prior to such changes. Repeals definitions in estate tax provisions which are made obsolete under the new federal code.

Effective April 6, 1988. Adds 39-26-102.5. Amends 39-23.5-(102)(2), (7), (8), (9.5), (17); 39-23.5-106(2); 39-26-102(10)(h); 39-26-114(11)(d), (13); 39-29-114(4). Repeals 39-23.5-102(4.5), (17.5).

H.B. 1201 **Colorado Tax Policy Act of 1988 - changes in income tax provisions - change in machinery or machine tool sales or use tax exemption - heat or fuel expenses assistance grants.** With respect to income tax provisions:

(1) Makes changes in Colorado income tax laws to simplify the filing of returns for nonresidents.
(2) Changes the provisions for the Colorado alternative minimum tax so that non-Colorado municipal bond interest is not added as a modification and thereby taxed twice. Exempts from the alternative minimum tax Colorado municipal bonds. Allows the same modifications in computing the Colorado alternative minimum tax as are allowed in computing the regular Colorado income tax.
(3) Clarifies that federal taxable income shall be deemed to be from sources in another state in the same ratio as the modified federal adjusted gross income is from sources in such state.
(4) Clarifies the amount of social security benefits which may be excluded from federal taxable income as pension income for Colorado income tax purposes by taxpayers filing a joint return.
(5) Reinstates the requirement that a corporate net operating loss may be carried forward only to years in which a corporation used the same allocation formula as that used in the year of any such loss.
(6) Provides that, if the amount designated on Colorado income tax returns as contributed under the provisions of any voluntary checkoff program for the period between January 1st and September 30th of any year does not equal or exceed 10% of the total amount contributed to all income tax checkoffs during such period, such voluntary checkoff program shall no longer be effective or reflected on Colorado income tax returns.

With respect to sales or use tax provisions, lowers the amount of required purchases to qualify for the machinery or machine tool exemption from $1,000 to $500 and clarifies that such exemption applies to purchases of a single item or a group of items at the same time in excess of the minimum dollar amount. Also clarifies that parts of machinery or machine tools purchased for assembly qualify for the exemption.

With respect to the heat and fuel expenses program, restores eligibility to persons receiving public assistance in the form of an old age pension.

Effective May 29, 1988. Adds 39-22-108(2)(c); 39-22-504(5). Amends 39-22-104(1), (3)(b), (4)(f); 39-22-108(2)(a), (2)(b); 39-22-116(1); 39-22-404IP(1), (1)(a), (1)(b); 39-22-601(1)(a); 39-22-604(16)(a), (16)(b), (17); 39-22-1001; 39-26-114(11)(a)(II); 39-30-106; 39-31-104(1)(a)(II). Repeals and reenacts 39-22-105; 39-22-109(1), IP(2)(a), (2)(b); 39-22-110(1); 39-22-403. Repeals 39-22-107(3); 39-22-109(3)(c); 39-22-110(3); 39-22-116(3).

H.B. 1207 **Income tax - underpayment of estimated 1987 personal income tax refund of penalty payment.** Due to inequity caused by changes in federal and state income tax laws, provides that no underpayment of estimated personal income tax is deemed to occur for the 1987 taxable year if the taxpayer was not required to pay estimated personal income tax for the 1986 taxable

year or was required to pay estimated personal income tax for the 1986 taxable year and no underpayment of such estimated tax occurred. Authorizes a taxpayer who, prior to April 20, 1988, has paid the penalty for the underpayment of estimated personal income tax for the 1987 taxable year to request a refund of said amount upon proving that such taxpayer was not required to pay estimated personal income tax for the 1986 taxable year.

Effective April 20, 1988. Adds 39-22-605(4)(d).

Lottery

S.B. 97 **Colorado lottery - commission - prizes.** Provides that, if the rental payments for a business are based on a percentage of retail sales and the rental agreement does not include lottery ticket sales, the compensation received by the sales agent shall be the amount of the retail sale for the purpose of computing the rental payment and not the gross revenues from lottery ticket sales.

Requires the chairman of the lottery commission by reimbursed for his expenses incurred in participating on the contract and disciplinary review board. Shortens the period of time during which a lottery prize winner may claim his prize. Clarifies that the offering of a lottery ticket at no additional charge in conjunction with the sale of a product or service is not an unlawful act unless the offer is made to a person under 18 years of age.

Effective July 1, 1988. Adds 24-35-206(9). Amends 24-35-207(6); 24-35-208(2)(j)(I), (2)(j)(II); 24-35-212(2); 24-35-214(1)(a). Repeals 24-35-208(2)(j)(III).

H.B. 1274 **Lottery - lotto authorization - construction of correctional facilities - appropriation.** Changes the definition of the term "lottery" to include the game known as "lotto", thereby authorizing the conduct of lotto games. Provides that any lottery sales agent shall be eligible to enter a drawing to determine the location of at least 100 lotto outlets, with the balance of the lotto outlets to be determined by the lottery division.

Establishes a formula for the distribution of net lottery proceeds, including revenues generated by the lotto game. Requires that appropriations of moneys from the state lottery fund for capital construction be used for the acquisition of certain correctional facilities.

Requires that, if the lottery commission determines that additional facilities are necessary to operate the games of lottery or lotto, such facilities shall be located at the Colorado state hospital campus in Pueblo. Appropriates $2,820,282 to the department of revenue for implementation of the act.

Effective April 29, 1988. Adds 24-35-206(8); 24-35-210(4.1); 24-35-220. Amends 24-35-201(5); 24-35-218(1)(a), (1)(b); 24-35-208(2)(j)(II); 24-35-210(6). Repeals and reenacts 24-35-210(4). Repeals 24-35-210(5).

Motor Fuel

S.B. 10 **Excise tax on gasoline and special fuel - exemption for fuel purchased by governmental entities.** Clarifies that a governmental entity is exempt from paying excise taxes on gasoline and special fuel only when such gasoline or special fuel is used by such entity in performing its governmental functions and activities.

Effective April 13, 1988. Amends 39-27-102(1)(b); 39-27-103(2); 39-27-202(2)(b).

S.B. 28 **Motor fuel tax - multistate cooperative agreement for collection of taxes - appropriation.** Authorizes the department of revenue to enter into a cooperative agreement with other states to collect motor fuel taxes. Provides the elements which such an agreement may contain. Specifies the procedural standards related to tax collection and compliance. Provides that the department may exchange information with other states which relates to licensed motor fuel activities.

Appropriates $193,412 from the highway users tax fund and 5.75 FTE to the department of revenue for implementation of the act.

Effective April 14, 1988. Adds 39-27 (entire part 3). Amends 39-27-102(2)(b).

H.B. 1250 **Creation of division of aviation and aeronautical board imposition of aircraft fuel tax - elimination of specific ownership tax and aircraft registration fee - violations of federal registration provisions appropriations.** Creates the division of aviation and the aeronautical board in the department of military affairs.

Incorporates aircraft fuel tax provisions into the excise tax provisions for gasoline and special fuels with a 6¢ per gallon tax rate on fuel used to propel nonturbo-propeller or nonjet engine aircraft and a 4¢ per gallon tax rate on fuel used to propel turbo-propeller or jet engine aircraft. Exempts jet propelled commercial aircraft from such tax. Imposes such taxes in lieu of the aircraft registration fee and the specific ownership tax on aircraft.

Requires the aeronautical board to disburse revenue received from such taxes to airports granting public access for purposes of airport development. Creates the aviation fund for the deposit of all such tax moneys collected.

Makes it unlawful to operate any aircraft in the state which is not registered in accordance with federal law and makes it unlawful to sell or offer for sale any aircraft which does not have the proper identification numbers on it. Designates any aircraft knowingly used in violation of registration and identification provisions a class 1 public nuisance. Appropriates $106,350 out of the aviation

fund to the department of military affairs and $12,233 out of the aviation fund to the department of revenue for implementation of the act.

Effective January 1, 1989. Adds 28-6 (entire article); 16-13-303(1)(h.6); 24-1-127(3)(e); 39-27-102(1)(a)(IV); 39-27-103(3)(a.3); 39-27-112(3); 13-21-118. Amends 39-26-114(1)(a)(VII); 39-26-203(1)(c); 39-27-101(2); 39-27-102(1)(a)(I), (2)(b); 39-27-103(3)(a), (3)(e); 39-27-107; 39-27-111; 39-27-112(2); 41-4-113(1). Repeals 41-2 (entire article).

Motor Vehicle and Driver's Licenses

S.B. 43 **School busses - stops - passing violations - citation based on information from school bus driver - penalty - points.** Requires any driver of a school bus who observes a vehicle illegally pass a stopped school bus to provide information concerning the violation to his school district transportation dispatcher, including the license plate number of the vehicle and descriptions of the vehicle and driver. Requires school district transportation dispatchers to provide such information to the appropriate law enforcement agencies. Allows law enforcement agencies to issue citations to drivers of vehicles on the basis of information provided by school bus drivers. Requires the driver of a school bus which has stopped and from which children have embarked or disembarked to allow time for vehicles which have stopped behind the bus to pass. Makes a second or subsequent violation within 5 years of a previous violation of these provisions a class 1 misdemeanor traffic offense. Increases from 5 points to 6 points the number of points to be assessed for purposes of driver's license suspension for failure to stop for a school bus.

Effective July 1, 1988. Amends 42-4-612(1), (4), (5); 42-2-123(5)(j).

S.B. 44 **Special license plates - recipients of purple hearts - active members of Colorado national guard.** Directs the department of revenue to issue special license plates for certain motor vehicles owned by recipients of the purple heart and active members of the Colorado national guard. Specifies that the taxes and fees for such special license plates shall be the same as those paid for regular motor vehicle registration, plus an additional one-time fee of $10. Requires proof of eligibility to be submitted at the time of application for said special license plates.

Effective July 1, 1988. Adds 42-3-112.3; 42-3-112.4.

S.B. 62 **Correctional industries - license plates - estimate prerequisite and moneys set aside for appropriations.** Requires the executive director of the department of revenue to certify to the joint budget committee each year an estimate of the number and cost of license plates and validating tabs or decals which the division of correctional industries will be required to manufacture. Requires the joint budget committee to consider the estimate in making its budget recommendation for the division.

Eliminates the requirements that the state treasurer set aside moneys received from license plate and validating tab or decal sales and eliminates the continuous appropriation of such money.

Effective July 1, 1989. Amends 17-24-109.5.

S.B. 71 **Transportation of passengers - imposition of tax.** Changes the seating capacity used to determine the amount of registration fees owed for passenger buses and imposes an additional fee of $1.70 per seat for those vehicles with 14 seats or less. Increases the fee charged for a trip permit to $25.

Limits exception to passenger-mile tax to those companies providing mass transportation by bus or trolley coaches. Eliminates the requirement for Colorado registered vehicles transporting passengers to stop and obtain clearance from a port entry weight station.

Effective July 1, 1988. Amends 42-3-123(4)(c)(I), (18)(c); 42-8-105(1). Repeals and reenacts 42-3-123(18)(a).

S.B. 109 **Alcohol and drug-related traffic offenses - per se offense driver's license revocation proceedings - appropriations.** Lowers the blood alcohol level required for the offense of driving with an excessive alcoholic content (the per se offense) to 0.10. Allows a person to be charged with such offense if his blood alcohol level is above the per se level at the time of driving or within 2 hours after driving if evidence establishes beyond a reasonable doubt that the person did not consume any alcohol between the time of driving and the time of testing.

Lowers the blood alcohol level required for administrative revocation of a person's driver's license for driving with an excessive alcoholic content to 0.10. Allows the department of revenue to revoke the driver's license of a person if his blood alcohol level is at or above such level at the time of driving or within 2 hours after driving if the preponderance of the evidence establishes that the person did not consume any alcohol between the time of driving and the time of testing. Reduces the period of license revocation for a person whose license is revoked after July 1 for the first time for driving with an excessive alcoholic content to 3 months but retains the one-year revocation period for a person whose license is revoked for a second or subsequent time for driving with an excessive alcoholic content or for refusing to take a blood or breath test. Allows a person whose license was revoked prior to July 1 for the first time for driving with an excessive alcoholic content to petition the department of revenue for a new license once he has completed 4 months of his revocation period.

Adds a legislative declaration concerning the administrative revocation provision. Allows a law enforcement officer who serves notice of revocation on a nonresident to take possession of such person's driver's license. Reduces the time within which the department of revenue must provide written notice of the time and place of the revocation hearing from 20 days to 10 days. Clarifies that the only issue that the hearing officer may consider is whether the person drove with an excessive alcoholic content

or refused to take a blood or breath test. Provides that restoration fees collected from persons whose licenses were revoked pursuant to the administrative revocation provision shall be credited to a special account in the highway users tax fund and used by the department to administer said provision.

Changes the term "intoxicating liquor" to "alcohol" in motor vehicle and criminal provisions. Deletes the word "chemical" in relation to blood, breath, saliva, or urine tests. Clarifies that a preliminary screening test shall not constitute the blood or breath test that may be requested by a law enforcement officer.

Appropriates $54,160 and 1.9 FTE to the department of revenue from the special account in the highway users tax fund for administration of the administrative revocation provisions.

Effective July 1, 1988. Adds 42-2-122.1(1.5). Amends 42-2-122.1(2)(a), (2)(b), (3), (4)(a), (4)(b), (5)(b), (5)(c), (7)(e), (8)(c); 42-2-124(3); 42-4-1202(1)(a), (1.5), IP(2), (2)(a), (2)(b), (2)(c), (2)(d), (2.5), (3)(a)(II), (3)(a)(III), (3)(d), (3)(e); 18-3-106IP(2); 18-3-205IP(2); 42-2-123(5)(b)(I); 42-4-108(1)(d); 42-4-705(3). Repeals and reenacts 42-2-122.1(1).

S.B. 117 **Diesel emissions inspection program - definitions - powers and duties of air quality control commission, department of health, and department of revenue - diesel inspectors and diesel inspection stations - exemptions from program - voluntary inclusion in program.** Establishes a diesel emissions inspection program for certain counties in the state. Defines various terms which are used to describe the inspection program. Requires that on or after January 1, 1990, a certification of emissions control, evidencing that a diesel vehicle has been inspected and tested for smoke opacity compliance, shall be required prior to diesel vehicle registration.

Allocates implementation of the inspection program between the air quality control commission and the executive directors of the departments of health and revenue. Authorizes the air quality control commission to promulgate any rules and regulations which are necessary for implementation of the inspection program but specifies certain criteria regarding standards and tests which are to be included in the rules and regulations. Directs the executive director of the department of health to: Develop a program for diesel emissions inspectors; instruct the department of revenue to license certain diesel inspection stations; continuously evaluate the inspection program; and inform the public concerning the operation of the program. Gives the executive director of the department of revenue the authority over the licensure and the enforcement associated with licensure of diesel emission inspectors and diesel emission inspection stations.

Sets the requirements for licensure as a diesel emission inspection station, including the number of licensed diesel inspectors who must be employed at the station, the facilities and equipment required, and the procedures to be followed. Allows the executive director of the department of revenue to suspend or revoke licensure if a station improperly represents that it is a licensed diesel inspection station. Specifies when a licensed inspection station is to issue a certification of emissions control to the owner of a diesel vehicle and the maximum fee such station shall impose for a diesel inspection.

Permits extension of the diesel inspection program to any local government which requests to participate in the program.

Exempts heavy duty diesel fleets of nine or more from the diesel inspection program unless there are two excessive violations of the self-certification program by such fleet in a one-year period.

Requires the air quality control commission to promulgate regulations on the use of a fuel or a fuel additive only if such regulation shall result in a measurable reduction in ambient concentrations of criteria or other pollutants.

Portions effective April 28, 1988 and January 1, 1990. Adds 25-7 (entire part 6); 42-3-120(1)(d); 42-4-320(3)(c). Amends 25-7-106(1)(e).

S.B. 145 **Optional license plates - authorization.** Authorizes the department of revenue to issue optional license plates for either a passenger car or a truck not over ten thousand pounds empty weight. States that such optional plates shall have a background consisting of a graphic design representing the state flag and shall consist of numbers or letters or any combination thereof, as approved by rules and regulations of the department. Specifies that the amount of taxes and fees for such optional plates shall be $25 more than the taxes and fees paid for regular plates. Credits the extra $25 to the highway users tax fund. Permits the executive director of the department to prepare any special forms and issue any rules and regulations necessary to implement this provision. Allows the executive director to adopt rules and regulations to issue other special license plates.

Effective January 1, 1989. Adds 42-3-112.2. Amends 42-3-112.8. Repeals 42-3-112.9.

H.B. 1053 **Ton-mile and passenger-mile taxes - penalty for record-keeping errors.** For the ton-mile and passenger-mile taxes, imposes a penalty for record-keeping errors due to negligence or disregard of the law which result in the assessment of a deficiency by the department of revenue. Specifies that any deficiency assessed pursuant to such error shall have added thereto a penalty of 25% of the deficiency, plus penalty interest of 0.5% per month on the deficiency. Requires annual reporting to the general assembly on the use of such penalty until January 1, 1991.

Effective July 1, 1988. Adds 42-3-126(5)(a).

H.B. 1064 **Driving records maintained by the department of revenue admissibility in court proceedings - records not to be maintained.** Amends a provision governing driving records maintained by the department of revenue to clarify that authenticated copies of such records, including driver histories, shall be admissible in courts of record without further foundation and shall constitute prima facie proof of the information contained in such records.

Prohibits the department of revenue from maintaining records of convictions of traffic offenses for which no points are assessed,

except in the case of convictions for operating a vehicle when the operator's driver's license or privilege to operate a vehicle has been denied, suspended, or revoked.

Effective March 4, 1988. Adds 42-2-118(2)(c), (2)(d). Amends 42-2-118(2)(b).

H.B. 1098 **Driving without insurance or proof of insurance - penalties.** Makes the existing fine of $100 mandatory for a first offense. Increases the fine to $200 and makes it mandatory for second and subsequent offenses within 2 years of the first offense. Assesses 4 points under the point assessment schedule for driver's license suspensions for such an offense and mandates that the person convicted shall be sentenced to perform not less than 40 hours of community service. Corrects printed notice on motor vehicle registration and renewal of registration forms to reflect changes in penalties for driving without insurance. Applies to offenses committed on or after January 1, 1989.

Effective January 1, 1989. Adds 42-2-123(5)(ff). Amends 42-3-111(2), (2.5); 42-4-1501(2)(a)(II)(A). Repeals and reenacts 42-4-1213(4).

H.B. 1144 **Weight limitations - vehicles operated on highways.** Eliminates certain limitations on the gross weight allowed upon any wheel or axle of a vehicle which may be operated on any interstate highway by deleting references to the pressure of pneumatic tires with which the vehicle is equipped. Modifies the formula for determining the maximum gross weight of vehicles or combinations of such vehicles to express the algebraic format approved by federal law.

Effective March 24, 1988. Amends 42-4-406(1)(a), (1)(b), (2)(a), (2)(b)(I), (2)(c); 42-4-407(1)(c)(III). Repeals 42-4-406(4).

H.B. 1153 **Motor vehicle identification - inspections - appropriation.** Conforms the penalties for theft of motor vehicle parts to the general theft penalties in the "Colorado Criminal Code". Changes the terminology in the motor vehicle theft statutes to conform to other motor vehicle and traffic statutes by deleting the term "automobile" and substituting "motor vehicle".

Specifies the requirements for the inspection of vehicle identification numbers prior to the issuance of a Colorado certificate of title for bonded title vehicles, homemade vehicles, rebuilt vehicles, reconstructed vehicles, and vehicles assembled by kit. Authorizes law enforcement agencies designated by the motor vehicle division in the department of revenue to make such inspections.

Establishes a $20 inspection fee and provides that the fees collected shall be kept in a special fund to be used to pay the administrative costs of the law enforcement agency in performing inspections unless the governing body of the local government through resolution or ordinance orders the fees to be paid into the general fund of said government.

Effective July 1, 1988. Adds 42-5-101(5.5), (7.5); 42-5-110; 42-5-111; 42-5 (entire part 2); 24-33.5-305 (1)(d). Amends 42-5-101IP, (3) to (5), (10); 42-5-102; 42-5-104; 42-5-105(1) to (3); 42-5-106; 42-5-107(1); 42-5-108; 42-5-109; 42-6-107.5(1), (2); 42-6-115; 42-6-118(4); 42-6-142(1). Repeals and reenacts 42-5-103. Repeals 42-5-101(1); 42-5-107(2) to (5); 42-6-117.

H.B. 1161 **Motor vehicles powered by liquefied petroleum gas or natural gas license tax.** Deletes the weight restriction on motor vehicles which are powered by liquefied petroleum gas or natural gas for purposes of imposition of the annual license tax fee in lieu of the special fuel tax. Imposes a range of taxes for such motor vehicles based upon gross vehicle weight.

Effective January 1, 1989. Amends 39-27-202(5)(a).

H.B. 1192 **Uninsured motorists - proof of financial responsibility appropriation.** Requires that any owner of a motor vehicle who is convicted of operating the vehicle without insurance or convicted of permitting another to operate the vehicle without insurance provide the department of revenue with proof of financial responsibility for the future and requires such proof of insurance to be maintained for a three-year period. Provides that any person failing to maintain proof of insurance as required shall have his driver's license suspended and, if convicted of a traffic violation, without maintaining proof of insurance at the time of the violation, shall have his driver's license revoked.

Appropriates $84,607 out of the highway users tax fund and 1.0 FTE to the department of revenue for implementation of the act.

Effective May 17, 1988. Adds 42-4-1214. Amends 42-2-122(1)(k).

H.B. 1363 **Motor vehicle sales - definitions - motor vehicle auctioneer regulations - licensing changes - violations and penalties - Sunday sales.** Adds definitions of "advertisement", "motor vehicle agent", and "motor vehicle auctioneer" to regulatory provisions for motor vehicle sales. Includes "lessors" in the definition of "used motor vehicle dealer".

Creates a new class of license for motor vehicle auctioneers. Authorizes the motor vehicle dealer licensing board to prescribe the forms to be used as a part of a contract for the lease of a motor vehicle. For the period beginning July 1, 1988, and ending July 1, 1989, increases from $1,000 to $2,000 the amount of the bond a motor vehicle salesman must post prior to licensure. On and after July 1, 1989, sets said bond at $5,000. Requires that the notice of change of address by a dealer be made in writing. Authorizes the board to charge fees for issuing a license to a dealer whose principal place of business has changed or has lapsed and been renewed.

Makes conviction of any felony grounds for denial, suspension, or revocation of a motor vehicle dealer's, wholesaler's, salesman's, auctioneer's, or used motor vehicle dealer's license. Changes the criminal penalty for a violation of these regulatory provisions from an unclassified misdemeanor to a class 1 misdemeanor. Provides that fines collected for a conviction of selling

motor vehicles without a license be given to the law enforcement agency which investigated and wrote the citation for the violation. Requires the name of the motor vehicle dealer or used motor vehicle dealer to be included in advertisements.

Exempts the sale, barter, or exchange of boats, boat trailers, snowmobile, and snowmobile trailers from Sunday closing requirements.

Effective June 11, 1988. Adds 12-6-102(1.5), (12.5), (12.6); 12-6-102(13)(f); 12-6-102(17)(g); 12-6-104(3)(m); 12-6-108(1)(c.1); 12-6-110(1)(a)(III); 12-6-110(1)(h); 12-6-121.5; 12-6-126. Amends 12-6-102IP(13), (17); 12-6-104(3)(d) to (3)(f); 12-6-104IP(3)(g); 12-6-104(3)(j); 12-6-104IP(3)(l)(I); 12-6-109; 12-6-112; 12-6-113; 12-6-115(1), (6); 12-6-116(1); 12-6-118IP(3); 12-6-118(3)(d), (5)(j); 12-6-120(2); 12-6-121; 12-6-122(1); 12-6-123IP(1); 12-6-302.

Sales, Use and Tourism Taxes

H.B. 1276 **Sales tax - personal property sold by vending machines.** Provides that food or drink vended by or through non-coin-operated coin-collecting food and snack devices on behalf of a vendor are not defined as food for purposes of the sales and use tax provisions. Allows any vendor selling individual items of personal property through coin-operated vending machines to include in his sales price the sales tax levied on such items. Requires every vendor selling items of personal property through a coin-operated vending machine to pay a sales tax on the personal property sold in excess of 15¢ through such machine.

Effective April 4, 1988. Amends 39-26-102(4.5); 39-26-106(2)(b). Repeals and reenacts 39-26-114(7)(a).

Severance Tax

S.B. 114 **Severance tax - rate on coal - reduction.** Reduces the severance tax rate on coal from 60¢ per ton to 36¢ per ton from July 1, 1988, until July 1, 1994, when the rate of 60¢ per ton will be reinstated. Establishes that, for every 1 1/2% change in the index of producers' prices for all commodities prepared by the U.S. department of labor, the severance tax rate on coal will increase or decrease 1%, effective January 1, 1988.

Portions effective January 1, 1988, April 14, 1988 and July 1, 1988. Amends 39-29-106(1); 39-29-106(5).

H.B. 1055 **Severance tax - rate on molybdenum ore.** Replaces the existing severance tax rates for molybdenum ore with a 5¢ per ton rate until July 1, 1994, at which time the rate will be increased to 10¢ per ton.

Effective March 4, 1988. Amends 39-29-104IP(1). Repeals 39-29-104(1)(a) to (1)(c).

Miscellaneous

S.B. 90 **Issuance of hotel and restaurant license - restaurant business of a brewery.** Authorizes the issuance of a hotel and restaurant license to persons operating a licensed brewery to serve the malt liquors manufactured at the brewery in addition to serving other malt liquors, vinous liquors, and spirituous liquors at retail for consumption in restaurant operated on or immediately adjacent to the premises of a brewery. Provides an exception to the requirement that a hotel and restaurant licensee purchase all malt, vinous, and spirituous liquors from a licensed wholesaler for the malt liquors manufactured by a licensed brewery which is issued a hotel and restaurant license. Provides that, when a licensed brewery has been issued a hotel and restaurant license, transactions between a licensed brewery and its licensed hotel and restaurant business are exceptions to the prohibition against unlawful financial assistance.

Effective March 30, 1988. Adds 12-47-119(1.5). Amends 12-47-119IP(1); 12-47-119(4); 12-47-129(1), (3), (5).

H.B. 1167 **Controlled substances tax - stamps - exemptions.** Levies a $10 tax per ounce on the possession of marihuana. Levies a $1,000 tax per ounce on the possession of a controlled substance. Specifies that payment of such tax shall be evidenced by affixing stamps to packages containing marihuana or controlled substances. Imposes a monetary penalty upon any person who is in possession of an unstamped package containing marihuana or controlled substances in the amount of ten times the amount of tax owed. Exempts from the tax persons otherwise lawfully in possession of marihuana or controlled substances.

Effective January 1, 1989. Adds 39-28.7 (entire article).

Photographs by: Antonio Sanchez

COLORADO DEPARTMENT OF REVENUE
1375 Sherman St. Denver, CO 80203

Annual Report

for July 1, 1987
to June 30, 1988

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Alcoholic Beverage

Comparison of Receipts and Refunds

Taxable Gallons of Beer, Wine, and Spirituous Liquors

Liquor Tax Statistical Summary

Liquor Licenses in Force

Violations of the Liquor Code and 3.2% Beer Act

Liquor Tax Collections

Total Number of State Liquor Licenses Issued by County

COMPARISON OF LIQUOR EXCISE TAX AND LICENSE FEES

Fiscal Years Ended June 30, 1986-1988

Receipts:	1986	1987	1988
State License Fees	$ 459,901.25	$ 471,873.75	$ 448,048.75
85% Liquor Licenses from Local Government	1,878,301.04	1,906,022.85	1,930,785.12
3.2% Beer Tax	1,080,314.06	1,049,615.74	928,578.77
Repeal Beer Tax	5,643,246.16	5,734,837.12	5,614,544.29
Wine	2,689,352.88	2,603,137.85	2,370,103.39
Spirituous Liquors Tax	14,417,139.18	13,783,954.72	13,051,466.99
Total Receipts	**$26,168,254.57**	**$25,549,442.03**	**$24,343,527.31**
SUMMARY OF RECEIPTS:			
Receipts from License Fees and Miscellaneous Income	$ 2,338,202.29	$ 2,377,896.60	$21,964,693.44
Receipts from Taxes	23,830,052.28	23,171,545.43	2,378,833.87
Total Receipts	**$26,168,254.57**	**$25,549,442.03**	**$24,343,527.31**

TAXABLE GALLONS OF BEER, WINE AND SPIRITUOUS LIQUORS

Fiscal Years Ended June 30, 1979 - 1988

Year	Beer	Wine	Spirituous Liquors
1988	81,789,038	8,536,251	5,713,868
1987	84,805,661	9,382,689	6,043,365
1986	84,044,500	9,699,683	6,320,975
1985	85,670,923	9,427,575	6,738,836
1984	85,090,094	8,826,971	6,859,477
1983	84,714,111	8,493,205	6,734,930
1982	87,822,763	8,249,348	7,016,840
1981	81,454,493	8,132,712	7,151,459
1980	77,806,291	7,963,572	7,071,349
1979	77,163,455	7,992,055	7,444,929

LIQUOR TAX STATISTICAL SUMMARY

Fiscal Year Ended June 30, 1988

RECEIPTS FROM LICENSE FEES		
3.2% Retail Beer	$ 58,450.00	
3.2% Wholesale Beer	6,200.00	
3.2% Beer Manufacturer	400.00	
3.2% Beer, Special Events	180.00	
3.2% Beer Nonresident Manufacturer	1,700.00	
Repeal Beer, Nonresident Manufacturer	20,250.00	
Liquor Store Retail	70,050.00	
Drug Store Retail	4,100.00	
Hotel and Restaurant - Beer and Wine	6,900.00	
Hotel and Restaurant - Beer, Wine & Liquor	71,725.00	
Club License - Malt, Vinous & Spirituous	6,500.00	
Dining Car	800.00	
Brewery	1,250.00	
Winery	500.00	
Distillery	1,000.00	
Wholesale Liquor	62,000.00	
Wholesale Repeal Beer	29,000.00	
Importer	72,250.00	
Beer, Wine, Liquor, Special Events	550.00	
Tavern License	36,475.00	
Performing Arts	650.00	
Limited Winery	110.00	
Racetrack License	100.00	
Optional Premises	175.00	
85% Liquor Licenses from Local Government	1,930,785.12	
GROSS LICENSE FEES		$ 2,382,100.12
LESS REFUNDS:		
Liquor, Wine and Spirits Licenses	$ 3,021.25	
Beer Licenses	245.00	
NET LICENSE FEES		$ 2,378,833.87
RECEIPTS FROM EXCISE TAX		
3.2% Beer	$ 928,578.77	
Repeal Beer	5,614,544.29	
Wine	2,370,103.39	
Spirituous Liquor	13,051,466.99	
TOTAL EXCISE TAX		$21,964,693.44
TOTAL RECEIPTS		$24,343,527.31